

# DAILY BULLETIN

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## U.S. SPENT \$27 MILLION TO DESTROY SMALL ARMS, LIGHT WEAPONS

U.S. delegation will attend U.N. Small Arms Review Conference in New York

Illicit trade in small arms contributes to conflicts, lawlessness and instability in regions around the world.

For that reason, the United States has provided more than \$27 million to help various nations destroy surplus stockpiles of small arms and light weapons.

It also offers regular technical assistance to countries seeking to produce stronger export/import controls on these weapons.

The topics of illegal trafficking in arms, ineffective national controls and related issues will be considered during a June 26 to July 7 U.N. Small Arms Review Conference in New York. A U.S. delegation will attend along with delegations from other U.N. member states as well as representatives from international and regional organizations.

A June 9 fact sheet reviews the U.S. commitment to stemming the flow of illicit arms and provides answers to frequently asked questions about the problem and the programs available to counter it. It can be found at the State Department Web site:  
<http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2006&m=June&x=20060609171603sjhtrop0.2761042&t=livefeeds/wf-latest.html>

## TREASURY'S SNOW SEES STRONG GLOBAL ECONOMY AS G8 SUMMIT NEARS

Calls for trade liberalization, warns of danger from high energy prices

By Howard Cincotta  
Washington File Special Correspondent

Washington -- Despite the pressures of rising energy prices and continuing barriers to freer trade, the overall strength of the global economy remains impressive, according to U.S. Treasury Secretary John Snow.

In a June 10 statement following a meeting of finance ministers in St. Petersburg, Russia, to prepare for the G8 Summit in July, Snow pointed to a world economy characterized by high growth rates -- notably among a number of developing economies -- historically low levels of inflation, and no visible signs of major financial crises or recessions.

The G8 countries are the United States, Canada, France, Germany, Italy, Japan, the United Kingdom and Russia. "There is no better time for our economies to put in place policies that will sustain growth and improve living standards for all people," said Snow, who predicted that the G8 Summit in St. Petersburg would be "very productive."

Although heartened by strong economic recoveries in Europe and Japan, Snow warned that reform policies must continue to be implemented by all countries if healthy growth is to be sustained.

Snow noted that the United States continues to be "a major driver of the global economy," with 3.6 percent growth over the last year, an unemployment rate that dropped to 4.6 percent, inflation rates that remain low despite rising energy prices, and an improved budget deficit.

The United States, Snow said, "remains committed to keeping our markets open to foreign investment and to pursuing an ambitious outcome for the Doha Development Round of global trade negotiations by the end of 2006."

To meet the threat to economic growth posed by high energy prices, Snow called upon oil producers to increase production and for consuming nations to "intensify their efforts to economize on the use of oil."

The G8 finance ministers welcomed representatives of China, India, Brazil and Korea to discuss the "role of emerging lenders to low-income countries," Snow said.

Their discussions focused on how to move forward from last year's debt reduction agreement, he said, and avoid recreating another "lend and forgive" cycle that the international community has worked so hard to end. Snow also called for greater emphasis by the G8 on better access to financial services in low income countries, along with improvements in regulation to ensure greater competition. Snow hailed his G8 partners for their leadership in tracking and disrupting international networks for money laundering and terrorist financing. "We have taken steps to strengthen our asset freezing systems and actions, enhance information sharing, and develop multilateral financial tools to disrupt criminal and illicit activity," he said.

The text of Secretary Snow's G8 statement is available on the Department of the Treasury's Web site:  
<http://www.ustreas.gov/press/releases/js4314.htm>

## EU'S PROPOSED CHEMICAL RULES COULD DISRUPT TRADE, U.S. ENVOY SAYS

United States joins other nations in calling for improvements to REACH

By Bridget Hunter  
Washington File Staff Writer

Washington -- U.S. reservations about the European Union's (EU's) proposed regulatory framework for chemical substances were expressed June 8 by U.S. Ambassador to the EU C. Boyden Gray.

Gray, speaking at an event in Brussels, Belgium, organized by the American Chamber of Commerce to the EU, expressed "serious concerns" about the workability of REACH -- the EU's proposed system for registration, evaluation and authorization of chemicals -- and its potentially disruptive effect on international trade.

According to the EU, REACH is intended "to improve the protection of human health and the environment while maintaining the competitiveness and enhancing the innovative capability of the EU chemicals industry." It also is intended to "give greater responsibility to indus-

try” to manage chemical risks and hazard communication. In addition, it would create a new European Chemicals Agency to administer the new regulatory system.

The United States has joined with Australia, Brazil, Chile, India, Israel, Japan, Korea, Malaysia, Mexico, Singapore, South Africa and Thailand in calling on the EU to seek more input from interested parties, especially those outside the EU, and review the legislation with a eye toward eliminating unnecessary overlaps and inconsistencies, and revisit the scope of proposed chemical authorizations and registrations.

Those EU trading partners have expressed concern that some provisions of REACH “would cause unnecessary market disruptions without clear environmental benefits” and have urged the EU to consider harmonizing REACH’s requirements with existing international regulatory efforts, including the acceptance of test data developed under guidelines issued by Organisation for Economic Co-operation and Development.

In addition, REACH could hinder development in low-income countries and possibly render EU markets inaccessible to exports from developing countries, the EU trading partners said in a June 8 joint statement. Gray, in his remarks, urged the EU to increase the transparency of its regulatory process. “I believe the more open the legislative and regulatory process is, the better the product will be,” he said.

Specifically, the U.S. ambassador called for:

- Using risk and environmental impact assessments to develop policy rather than justify decisions already made;
  - Opening European Council deliberations to the public;
  - Allowing all interested parties to review official texts, rather than force them to rely on leaked documents;
  - Making proposed changes completely public; and
  - Regularly inviting trading partners and international organizations involved in chemical management to speak at conferences and hearings of EU institutions.
- Asserting that “no government has the resources to monitor all chemicals and substances that are sold in commerce,” Gray said that “a scientific risk-based approach to chemical registration and authorization is crucial” and urged the EU to incorporate that approach into REACH.

Gray cited the agreement reached in Dubai, United Arab Emirates, February 6 as evidence of international support for this approach. Under the Strategic Approach to International Chemicals Management, negotiators at the United Nations International Conference on Chemicals Management agreed to a voluntary global strategy for safely managing chemicals. The agreement, the culmination of three years of talks, was designed to protect people and the environment from the potentially harmful effects of chemicals.

The ambassador also expressed concern over the potentially chilling effects REACH could have on development of new chemicals and chemical products. “When the associated costs of compliance become too high, and the market too unsure, valuable products will not be developed,” he said. The European Commission has said it anticipates final adoption of REACH by the end of 2006. That would allow it to come into force around April 2007. Under that timetable, the new agency to administer REACH would have to be fully operational by April 2008.

The full texts of Gray’s remarks and the joint statement issued by EU trading partners are available on the Web site of the U.S. Mission to the European Union: <http://useu.usmission.gov/>

For additional information on U.S. policy, see Trade and Economics: <http://usinfo.state.gov/ei/>

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## CROSS-CULTURAL KNOWLEDGE KEY TO TODAY’S MANAGEMENT CAREERS

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Dean of Stanford’s Graduate School of Business holds webchat

By Marissa K. Eubanks  
Washington File Staff Writer

Washington -- Robert Joss, dean of the Graduate School of Business at Stanford University in California, says cross-cultural understanding and good communication skills are important requirements for successful managers everywhere.

Joss answered questions during a June 7 webchat sponsored by the U.S. State Department’s Bureau of International Information Programs.

“A key element in today’s preparation for management careers is to acquire a deep appreciation for other cultures and practices, and a commitment to lifelong learning about how to achieve world standards within a multi-cultural workforce that operates on merit,” said Joss.

The master of business administration (MBA) program at Stanford covers a broad body of knowledge and teaches skills intended to enable students to be successful general managers in any sector -- and thus to give them more job opportunities in the long run, he said.

He said “the skills you need for your first job out of school are often different from the skills you will likely need five or more years later.”

The coursework aims to give students solid techniques for future success. “Statistics and analysis are very important in business,” Joss said. “But the broader concepts of strategy -- how to compete -- are equally important.”

Many participants in the webchat posed questions on the application process and the qualifications needed be accepted to an MBA program, particularly in the United States.

Joss suggested researching U.S. business schools to find the program that would fit each student’s individual needs and aspirations. One source of information is the Graduate Management Admissions Council (GMAC) Web site, which provides summarized information about many of the MBA programs in America.

He said business schools seek a diverse range of people and skills when they form incoming classes of students. According to Stanford’s Graduate School of Business Web site, international students comprise 39 percent of its class of 2007. Admission was offered to about 11 percent of the applicants.

A good candidate for an MBA program does not necessarily come from a technical background such as math or engineering, according to Joss. “Our most common undergraduate degree holders come from engineering and economics,” he said. “But business people everywhere tell me liberal arts, humanities, philosophy, psychology are just as important as economics and engineering or basic sciences or mathematics.”

“The most helpful thing is for an undergraduate to develop sound analytical thinking and good communication

skills, and learn how to apply them in everyday work,” he said.

Stanford’s MBA program looks at a variety of factors in admissions decisions, Joss said, including the candidate’s experience.

“Experience can be gained and demonstrated in many settings -- not just in a work environment,” he said. There are opportunities for leadership and organizational experience in school and in extra-curricular activities, in student government, summer jobs, part-time work and elsewhere. “There are many opportunities to demonstrate the acceptance of responsibility, the application of knowledge to problem-solving, and the ability to influence others,” Joss said.

According to Joss, “our world depends on managed organizations to deliver all our goods and services -- both public and private. The performance of these organizations is the responsibility of its managers.”

The skills obtained from an MBA program will allow students to work in an interconnected world where “everything impacts everyone,” he said.

A transcript of the webchat is available on Webchat Station:  
<http://usinfo.state.gov/usinfo/Products/Webchats.html>

Additional information is also available on the State Department Web sites Study in the U.S.:  
[http://usinfo.state.gov/scv/life\\_and\\_culture/education/study\\_in\\_the\\_us.html](http://usinfo.state.gov/scv/life_and_culture/education/study_in_the_us.html)  
and EducationUSA: <http://educationusa.state.gov/>

**Plases Note:** Most texts and transcript mentioned in the U.S. Mission Daily Bulletin are available via our homepage: <http://geneva.usmission.gov/>

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